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**BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES**

Application Number: 10/730,948  
Filing Date: December 10, 2003  
Appellant(s): SCHAEFER ET AL.

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JOHN B. GILICK  
For Appellant

**EXAMINER'S ANSWER**

This is in response to the appeal brief filed 15 October 2009 appealing from the Office action mailed 19 May 2009.

**(1) Real Party in Interest**

The real party in interest in the present appeal is SAP Aktiengesellschaft (SAP) of Walldorf, Germany, which is the assignee of the entire right, title and interest in the present application.

**(2) Related Appeals and Interferences**

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

**(3) Status of Claims**

The statement of the status of claims contained in the brief is correct.

**(4) Status of Amendments After Final**

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

**(5) Summary of Claimed Subject Matter**

The summary of claimed subject matter contained in the brief is correct.

**(6) Grounds of Rejection to be Reviewed on Appeal**

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

**(7) Claims Appendix**

The copy of the appealed claims contained in the Appendix to the brief is correct.

**(8) Evidence Relied Upon**

NPL:

2000 Development Requests at HERTUG (Higher Education and Research Institutions).

PowerPoint Slides, Introduction to Management Accounting 12/e,  
Horngren/Sundem/Stratton, 2002, Prentice Hall Business Publishing.

Patents:

6,275,813 B1	Berka	08-2001
7,131,579 B2	Kim	11-2006
6,073,108	Peterson	06-2000

**(9) Grounds of Rejection**

The following ground(s) of rejection are applicable to the appealed claims:

**Claim Rejections - 35 USC § 102**

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

2. **Claims 1-4, 6-20** are rejected under 35 U.S.C. 102(b) based upon a public use or sale of the invention. Reference the 2000 Development Requests at HERTUG

(Higher Education and Research Institutions) held in Toronto and <http://web.mit.edu/her/devreg/votedevreg00.htm>, item number 7 regarding the SAP FM module and requests from the user community on improving / expanding RIB functionality.

### **Claim Rejections - 35 USC § 103**

3. **Claims 1, 4, 6, 14 and 17** are rejected under 35 U.S.C. 103(a) as being unpatentable over PowerPoint slide presentation regarding, Introduction to Management Accounting 12/e, Horngren/Sundem/Stratton, 2002, Prentice Hall Business Publishing here forth known as (Prentice) in view of Berka, US 6,275,813 B1 and further in view of Kim, US 7,131,579 B2.

#### **Claims 1, 6, and 14:**

With regard to the limitation of a computer executed budgetary management method:

- ***Receiving a new transaction of a revenue item.***
- ***Executing a RIB rule to determine if the revenue item will increase the expenditure budget,***
- ***Storing the budget increase in the expenditure budget with an indicator that represents an increase in the expenditure budget.***

Prentice in at least Chapter 8, slides 8-1 through 8-9 discloses a Flexible Budget being compared to a Static or Master budget, the comparison commonly referred

to, in the Accounting Arts, as Variance Analysis and classifying the variance. Therefore, it would have been obvious, at the time of the invention, to a person of ordinary skill in the art to modify Prentice's budget variance analysis where revenues are favorable with an organizational operating rule allowing certain favorable balances to positively affect expense budgets (Flexible budgets) with the motivation of allowing an organization to alter their static budgets when particular transactions cause an unexpected increase in revenue.

Kim in at least Column 5, lines 56-63 discloses an accounting process (Journalizing) for recording transaction in business activities of an enterprise. Kim in at least Column 6, lines 40-43 further discloses a revenue (income) transaction that results in profit of the enterprise and an expense transaction that accompanies a profit decrease. Kim in at least Column 8, lines 8-20 discloses a process of preparing in the transaction outline DB a transaction classification code for each of the account-matched transaction outlines based on predetermined transaction classification criteria. Kim in at least Fig.9A, Fig.9B, Fig.10, Column 11, lines 33-67 and Column 12, lines 1-28 discloses how the transaction classification code is created, defined and used to enable the journalizing of transaction data. Therefore, it would be obvious, at the time of the invention, to a person of ordinary skill in the art to combine the well known features of Prentice's variance analysis and the classification of those variances in accordance with an organization's Standard Operating Procedure regarding variances, with the well know features of Kim's method for journalizing revenue

and expenses with the motivation of being able to track and verify each expense and revenue as it is posted to an account.

- ***Storing the budget increase in a revenue budget such that value in the expenditure budget balance with value in the revenue budget.***

Prentice in at least Slide 8-5 discloses an imbalance between expenses (planned versus actual) which results in a variance. Berka in at least Column 1, lines 12-19 discloses a computerized system of double-entry financial accounting and, in particular, to a method of entering data from financial transactions into a computer program that posts the entered information according to the known accounting theory of debit and credit. Berka further discloses that in accounting the term "posting" means transferring the debits and credits (expenses and revenue) from the journal to the general ledger. Kim in at least Fig.3, Column 3, lines 63-67 and Column 4, lines 1-55 discloses a journalizing method matching accounts of debit and/or credits with each of the plurality of transaction outlines to obtain account-matched transaction outlines having transaction classification codes. Kim in at least Column 5, lines 56-67 further discloses that the double-entry book-keeping principle is based on balancing the debits with the credits and the amounts of each debit and credit.

It would have been obvious to one of ordinary skill in the art at the time of the invention to include the journalizing system of Kim with the computerized double entry accounting system as taught by Berka with Prentice's flexible budget variance analysis, since the claimed invention is merely a combination of old

elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

**Claims 4 and 17:**

With regard to the limitation:

- ***Storing a revenue item in a database each with a marker indicating if it was generated from a RIB rule.***

Prentice is somewhat silent on the use of a database entry with an associated marker. However, Berka in at least Column 1, lines 12-19 discloses a computerized system of double-entry financial accounting and, in particular, to a method of entering data from financial transactions into a computer program that posts the entered information according to the known accounting theory of debit and credit. Berka further discloses that in accounting the term "posting" means transferring the debits and credits (expenses and revenue) from the journal to the general ledger. Berka in at least Column 1, lines 49-67 further discloses that any financial transaction can be defined by a single posting record that includes, apart from its reference number, date, currency and monetary amount, a categorical code which consists of a destination category and a source category. Berka in at least Column 5, lines 18-30 further discloses the desirability to divide each accounting category into a number of different account classes (according to budget class names, for example).



Kim in at least Fig.3, Column 3, lines 63-67 and Column 4, lines 1-55 discloses a journalizing method matching accounts of debit and/or credits with each of the plurality of transaction outlines to obtain account-matched transaction outlines having transaction classification codes. Kim in at least Column 5, lines 56-67 further discloses that the double-entry book-keeping principle is based on balancing the debits with the credits and the amounts of each debit and credit. Kim in at least Fig.2 and Column 7, lines 63-67 discloses an account list database where information regarding debit and credit accounts and their respective codes are listed. Kim in at least Column 8, lines 1-20 further discloses a transaction outline database where information containing 'account-matched transaction outlines having classification codes' obtained through a series of process of preparing and determining a plurality of transaction outlines, matching the accounts of debits/credits stored in the account list information database. Kim in at least Column 8, lines 4-39 further discloses that the journalizing system determines accounts of debits/credits corresponding to the transaction outline selected and stores the annotated (classification code FIG.4) accounting information in the accounting information database.

- ***Storing an expenditure item in a database, so that the revenue budget items balance with the expenditure budget items.***

Prentice is somewhat silent on the use of a database entry for storing expenditure and revenue items in a balanced manner. However, Berka in at least Column 1, lines 12-19 discloses a computerized system of double-entry

financial accounting and, in particular, to a method of entering data from financial transactions into a computer program that posts the entered information according to the known accounting theory of debit and credit. Berka further discloses that in accounting the term "posting" means transferring the debits and credits (expenses and revenue) from the journal to the general ledger. Berka in at least Column 1, lines 20-31 discloses that debiting an account increases assets or expenses, whereas crediting an account decreases assets or expenses and increases liabilities or income.

- ***Retrieving Expenditure and Revenue value from storage.***
- ***Comparing the Expenditure and Revenue values of only those values, which have not been marked in a manner to exclude them from certain calculations,***
- ***A computer generating a report that compares the expenditure budget value and the revenue budget values.***

Prentice is silent on retrieving expenditure and revenue values from storage. However, Prentice in at least Chapter 8, slides 8-12 through 8-22 discloses the performance evaluation and computing the variance of a flexible-budget revenue related activity. Prentice in at least Chapter 8, slides 8-23 through 8-42 further discloses evaluating the expenditure side of the budget using variance analysis and determining the classification of the variance.

Berka in at least Column 1, lines 12-19 discloses a computerized system of double-entry financial accounting and, in particular, to a method of entering data

from financial transactions into a computer program that posts the entered information according to the known accounting theory of debit and credit. Berka further discloses that in accounting the term "posting" means transferring the debits and credits (expenses and revenue) from the journal to the general ledger. Berka in at least Column 1, lines 20-31 discloses that debiting an account increases assets or expenses, whereas crediting an account decreases assets or expenses and increases liabilities or income. Kim in at least Column 1 lines 16-33 discloses a journalizing process where accounts of debit and credit sides are determined and then amounts corresponding to each of the accounts are distributed based on balancing the debits and credits. Kim in at least Column 8, lines 4-39 further discloses that the journalizing system determining accounts of debits/credits corresponding to the transaction outline selected and storing the annotated (classification code FIG.4) accounting information in the accounting information database.

It would have been obvious to one of ordinary skill in the art at the time of the invention to include the journalizing system with transaction classification codes of Kim with the computerized double entry accounting system as taught by Berka with Prentice's flexible budget variance analysis, with a computer generated report comparing the Expenditure and Revenue values, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately,

and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

**Claims 19 and 20:**

**Claims 14 and 17** from which **Claims 19 and 20** depend from are rejected under Prentice, Berka and Kim as applied above. With regard to the following limitations:

- ***Comparing the expenditure budget values and the revenue budget values to determine if the values therein are in balance.***

Prentice is somewhat silent on the use of a database entry for storing expenditure and revenue items in a balanced manner. However, Berka in at least Column 1, lines 12-19 discloses a computerized system of double-entry financial accounting and, in particular, to a method of entering data from financial transactions into a computer program that posts the entered information according to the known accounting theory of debit and credit. Berka further discloses that in accounting the term "posting" means transferring the debits and credits (expenses and revenue) from the journal to the general ledger. Berka in at least Column 1, lines 20-31 discloses that debiting an account increases assets or expenses, whereas crediting an account decreases assets or expenses and increases liabilities or income.

- ***Comparing the expenditure budget data with the revenue budget data to determine if values are in balance.***

Prentice in at least Chapter 8, slides 8-12 through 8-22 discloses the performance evaluation and computing the variance of a flexible-budget revenue related activity. Prentice in at least Chapter 8, slides 8-23 through 8-42 further discloses evaluating the expenditure side of the budget using variance analysis and determining the classification of the variance (favorable or unfavorable).

4. **Claims 2-3, 7-13, 15-16, and 18** are rejected under 35 U.S.C. 103(a) as being unpatentable over Prentice, Berka and Kim as applied to **claims 1, 4, 6, 14 and 17** above, and further in view of Peterson, US 6,073,108.

**Claims 2, 3, 7, 8, 9, 15, 16, and 18:**

Prentice discloses the limitations as shown in the rejections above. Prentice does not disclose the following limitations:

- ***Properly storing and marking revenue budget increases per accounting rules.***
- ***Properly storing and marking expenditure budget increases per accounting rules.***

Peterson in at least Column 2, lines 20-34 discloses a task-based classification and analysis system and analysis software with a user interface for analyzing revenues and expenditures based on predetermined relationships and a plurality of hierarchical task lists. Peterson in at least Fig.1 and Column 3, lines 21-34 further discloses the analysis system and software maintaining relationships between a plurality of databases. It would have obvious, at the time of the

invention, to a person of ordinary skill in the art to modify Peterson with the flexible budget and variance analysis of Prentice to provide a budgetary software analysis system for analyzing business budgets.

**Claims 10-13:**

Prentice discloses the limitations as shown in the rejections above. Prentice does not disclose the following limitations:

- ***Report generator for particular revenue budget items.***

Peterson in at least Column 2, lines 35-44 discloses an analysis software module for building task-based budgets and coordinating relationships between a plurality of task lists and further discloses in at least Column 4, lines 62-64 the system collecting and utilizing historical data from another software module for generating related reports. It would have obvious, at the time of the invention, to a person of ordinary skill in the art to modify Peterson with the flexible budget and variance analysis of Prentice to provide a budgetary software analysis system for analyzing business budgets and producing the interrelated budgetary analysis reports.

**(10) Response to Argument**

**(10 A) Rejection of claims 1 to 4 and 6 to 20 under 35 U.S.C. § 102(b)**

Appellant argues *“The Examiner’s rejection must be reversed because the HERUG reference fails to demonstrate that all elements of the claimed invention are present in the system described by the HERUG reference.”*

Examiner's Response: The "2000 Development Requests at HERUG (Higher Education and Research Institutions" as seen at <http://web.mit.edu/herdevreq/votedevreq00.htm> ("HERUG reference") at Item 7 there is a development request to **"Improve RIB functionality by extending the documents that activate RIB."** Presently only documents of value type 57 and 66 activate RIB. The request is to add additional transactions of document value type 54 to those document types that activate RIB. The person submitting the development request from the University of Cape Town indicates "Currently we use RIB, it is critical to our Research area and it is activated at sales invoice." This provides evidence that the claimed invention had been sold in the marketplace and was in use at least one year prior to the filing of this application on 10 December 2003.

Appellant further argues ***"Claim 1 defines a solution that retains balance between expenditure databases and revenue databases in ways that were not accomplished by systems discussed in the Background of the present application. Claim 1, for example, states (emphasis added): executing a RIB rule to determine whether the new transaction causes an increase to an expenditure budget;"***

Examiner's Response: Maintaining a balance between expenditures and revenues is an inherent feature of basic financial accounting. The execution of a RIB rule as indicated by Item 7 of the HERUG reference was already in use, the development enhancements requested, were to extend the document value types to

include an additional document value type namely additional value type 54 transactions to the document value types that activate RIB (revenue increasing budget).

Appellant further argues ***“The HERUG reference merely contains a suggestion to improve RIB functionality of an SAP product. Beyond mere coincidence in terminology – both documents use the ‘RIB’ keyword – the HERUG reference, for example, has no disclosure of storing budget increase to a node of an expenditure budget data structure or to a node of the revenue budget data structure or that the budget increases are kept in balance.”***

Examiner's Response: Respectfully, if Applicant's argument that it is ***“mere coincidence in terminology - both documents use the ‘RIB’ keyword”***, then is the use of “Revenues Increasing Budget” which appears in both documents also mere coincidence, it most certainly is not mere coincidence.

Appellant further argues ***“Indeed, the terms ‘node’ and ‘balance’ appear nowhere in the excerpt of HERUG reference, on which the Examiner's rejection relies.”***

Examiner's Response: Respectfully the term “node” does not appear because the term is used when programming a hierarchical tree (data) structure consisting of a set of linked nodes, the HERUG institutional representatives are requesting certain functionality, and they are not dictating how SAP should implement that functionality at the software programming level. The term “balance” is also not directly used, however



in Item 7 of the HERUG reference in the "DESCRIPTION" column item 2 discloses that **"When RIB is set to increase budget on payment of invoice, the budget is increased in the year the invoice was posted and not the year of payment; we require that budget is increased in the year of payment."** Under the "BUSINESS MOTIVATION" column item 2 discloses **"Budget is sometime given in a previous fiscal year, we then have to manually journalise this into the current fiscal year."** This represents a basic accounting principle of balancing revenues with expenditures in the current accounting period.

Appellant further argues ***"For example, claim 4 recites the features where in 'respons[e] to a report template, retrieving expenditure budget values and revenue budget values from storage, and computer-generating a report that compares the expenditure budget values and the revenue budget values, wherein the report template indicates whether values from revenue budget items generated according to RIB rules are to be included in the report.' This report template and computer generated report are also absent from the HERUG reference."***

Examiner's Response: In the HERUG reference Item 8, there is a request to improve the FM line item reports. FM (Funds Management) is the SAP module which is referred by name in Item 1's "Description" column in the HERUG reference. This is a clear indication that there is a reporting structure and template in the FM module of which RIB interacts with and/or is a part of.

**(10 B) Rejection of Claims 1, 4, 6, 14, 17, 19, and 20 under 35 U.S.C. § 103(a)**

Claims 1, 4, 6, 14, 17, 19, and 20 are rejected as unpatentable over PowerPoint slide presentation regarding, Introduction to Management Accounting 12/e, Horngren/Sundem/Stratton, 2002, Prentice Hall Business Publishing hereinafter known as Prentice, in view of U.S. Patent No. 6,275,813 B1 ("Berka"), and further in view of U.S. Patent No. 7,131,579 B2 ("Kim").

**(10 B.1) Claim 1:**

Appellant argues *"Specifically, Berka is cited as disclosing, 'computerized system of double-entry financial accounting and, particular, to a method of entering data from financial transactions...according to known accounting theory of debit and credit.' Berka at col.1, lines 11 to 26. However, the 'known accounting theory of debit and credit' is not applicable to the features of claim 1. As Berka explains, 'any financial transaction can be defined by a single posting record that includes, apart from its reference number, date, currency and monetary amount, a category directional code consisting of a destination category and a source category.' Berka at col.1, lines 50-54 (emphasis added). To this, the Office states that 'one of ordinary skill in the accounting arts knows that any revenue recognized by an organization must be balanced in some manner when posted....However, the specific features of claim 1, including storing the increase in two budget structures, and storing an indication with the increase, are simply not disclosed by any of the prior art references."*

Examiner's Response: Respectfully, the Examiner on page 3 of the Final Office Action in the Response to Arguments section Item 6 explained that well known accounting practice requires that entries regarding revenue and expenses must be balanced. Supporting the Examiner's position is Appellant's specification in paragraph [3] discloses **"Revenue budgets typically forecast revenues that the organization expects to earn over a predetermined fiscal period. The process of defining revenue budget values and expenditure budget values is an integrated process. Many organizations, particularly public sector organizations, require that the revenue budget and the expenditure budget remain balanced."**

Appellant further argues *"Further, this dual storing is inapposite to adding to one entity and subtracting from another entity, as required by credit/debit procedures, and is further inapposite to a single database entity as disclosed in Berka. Berka may disclose some accounting methods, but does not disclose the specific features of: 'if the new transaction causes an increase to the expenditure budget, storing the budget increase in a node of an expenditure budget data structure with an indication that the node represents an increase in the expenditure budget; and storing the budget increase in an identified node of a revenue budget.'"*

Examiner's Response: Firstly summarizing Claim 1 as follows "receiving data of a new transaction" that includes a revenue item, a RIB rule is executed to determine whether the "new transaction" causes an increase to the expenditure

**budget and if it does then the increase is stored in a node of the expenditure budget data structure with an indication that the node represent an increase in the expenditure budget; and the budget increase is stored in a node of the revenue budget, wherein values in the expenditure budget data structure balance with values in the revenue budget data structure.”** Essentially, the “new transaction” is posted to the general ledger, next it is determined (executing a RIB rule) if the “new transaction” will result in an increase in the expenditure budget, if it does then the expenditure budget is increased, to keep the entries in balance the revenue budget must also be increased by the same amount. This is the fundamental accounting methods as taught by Prentice, Berka and Kim.

Secondly, Claim 1 is rejected using a combination of Prentice, Berka and Kim as shown in the Final Office Action a summary is as follows:

Prentice in at least Chapter 8, slides 8-1 through 8-9 discloses a Flexible Budget as compared to a Static or Master budget, the comparison commonly referred to, in the Accounting Arts, as Variance Analysis and classifying the variance. Prentice's budget variance analysis discloses that, where certain unexpected revenues are favorable with an organization's operating rule, allowing them to positively affect expense budgets (Flexible budgets). This is similar to the activation of RIB (revenues increasing budgets) rules.

Kim in at least Column 5, lines 56-63 discloses an accounting process (Journalizing) for recording an enterprise's business transactions. Kim in at least Column 6, lines 40-43 further discloses a revenue (income) transaction that results in an increase in profit of

the enterprise and an expense transaction that accompanies a profit decrease. Kim in at least Column 8, lines 8-20 discloses a process of preparing in the transaction outline DB (database) a transaction classification code for each of the account-matched transaction outlines based on predetermined transaction classification criteria. Kim in at least Fig.9A, Fig.9B, Fig.10, Column 11, lines 33-67 and Column 12, lines 1-28 discloses how the transaction classification code is created, defined and used to enable the journalizing of transaction data. This is similar to Appellant's use of an indicator.

Prentice in at least Slide 8-5 discloses an imbalance between expenses (planned versus actual) which results in a variance. This variance must be accounted for to balance the expenses and the revenues.

Berka in at least Column 1, lines 12-19 discloses a computerized system of double-entry financial accounting and, in particular, to a method of entering data from financial transactions into a computer program that posts the entered information according to the known accounting theory of debit and credit. Berka further discloses that in accounting the term "posting" means transferring the debits and credits (expenses and revenue) from the journal to the general ledger.

Kim in at least Fig.3, Column 3, lines 63-67 and Column 4, lines 1-55 discloses a journalizing method for matching accounts of debit and/or credits with each of the plurality of transaction outlines to obtain account-matched transaction outlines having transaction classification codes. Kim in at least Column 5, lines 56-67 further discloses that the double-entry book-keeping principle is based on balancing the debits with the credits and the amounts of each debit and credit.

Appellant further argues ***“None of the cited art discloses ‘a revenue budget database.’ Prior art may include a revenue posting database, e.g., a database to record actual revenues in their incoming form. However, this is very different from a “revenue budget database.”***

Examiner's Response: Respectfully Berka in at least Column 2, lines 4-46 discloses a transcription program which automatically creates a database or journal file that stores the directional posting records pertaining to a given time period. For proper traceability of the posting records any deletions, additions and other changes in the database file are first executed in the book of original entry from which the transcription program gathers the data, creates the proper account (named and numbered). The descriptive directional code is in the form “destination category symbol and account name < source account name and category symbol,” A numeric directional code is derived from the descriptive code in the form of destination account number <source account number to indicate the source and destination account categories. The creating of the proper account represents the system creating the appropriate revenue or expense account in the database. The database could be a singular database or many associated database, the number of databases is generally dependent on various factors (size, number of accesses, redundancy, etc.).

Appellant further argues ***“A revenue budget, as distinct from a revenue posting database, is not found in any of the cited prior art references – including the HERUG reference. Known accounting methods may include a revenue posting database (e.g., a ledger of actual incoming transactions), and may even disclose balancing these actual transactions within an ongoing accounting of transactions. However, this is very different from the claimed invention, which requires a revenue budget database (e.g., a revenue forecast ‘the organization expects to earn over a predetermined fiscal period’), and balancing that forecast with an expenditure budget.”***

Examiner's Response: Respectfully Appellant's Claim 1 does not disclose a “revenue forecast”

Claim 1 clearly recites: **“receiving data of a new transaction that includes a revenue item;”**

**(10 B.2) Claim 4:**

Appellant argues ***“Claim 4 is allowable, at least because Berka does not disclose ‘storing revenue budget items in a database, each item including a marker to indicate whether the revenue budget item was generated according to a RIB rule; [and] storing expenditure budget items in a database, so that the revenue budget items balance with the expenditure budget items.’”***

Examiner's Response: Respectfully Berka in at least Column 2, lines 4-46 discloses a transcription program which automatically creates a database or journal file

that stores the directional posting records pertaining to a given time period. For proper traceability of the posting records any deletions, additions and other changes in the database file are first executed in the book of original entry from which the transcription program gathers the data, creates the proper account (named and numbered). The descriptive directional code is in the form "destination category symbol and account name < source account name and category symbol," A numeric directional code is derived from the descriptive code in the form of destination account number <source account number to indicate the source and destination account categories.

**(10 B.3) Claim 6:**

Appellant argues "***Claim 6 is allowable because Berka does not disclose 'a RIB rule processing computer-system that, responsive to a revenue item, generates a budget item representing an increase to an expenditure budget, an expenditure budget database to store the budget item, and a revenue budget database to store the budget item, wherein the RIB rule processing system is configured to maintain a balance between the expenditure budget database and the revenue budget database'.***"

Examiner's Response: Claim 6 is rejected using a combination of Prentice, Berka and Kim as shown in the Final Office Action a summary is as follows: Prentice in at least Chapter 8, slides 8-1 through 8-9 discloses a Flexible Budget as compared to a Static or Master budget, the comparison commonly referred to, in the Accounting Arts, as Variance Analysis and classifying the variance. Prentice's budget



variance analysis discloses that, where certain unexpected revenues are favorable with an organization's operating rule, allowing them to positively affect expense budgets (Flexible budgets). This is similar to the activation of RIB (revenues increasing budgets) rules.

Kim in at least Column 5, lines 56-63 discloses an accounting process (Journalizing) for recording an enterprise's business transactions. Kim in at least Column 6, lines 40-43 further discloses a revenue (income) transaction that results in an increase in profit of the enterprise and an expense transaction that accompanies a profit decrease. Kim in at least Column 8, lines 8-20 discloses a process of preparing in the transaction outline DB (database) a transaction classification code for each of the account-matched transaction outlines based on predetermined transaction classification criteria. Kim in at least Fig.9A, Fig.9B, Fig.10, Column 11, lines 33-67 and Column 12, lines 1-28 discloses how the transaction classification code is created, defined and used to enable the journalizing of transaction data. This is similar to Appellant's use of an indicator.

Prentice in at least Slide 8-5 discloses an imbalance between expenses (planned versus actual) which results in a variance. This variance must be accounted for to balance the expenses and the revenues.

Berka in at least Column 1, lines 12-19 discloses a computerized system of double-entry financial accounting and, in particular, to a method of entering data from financial transactions into a computer program that posts the entered information according to the known accounting theory of debit and credit. Berka further discloses that in

accounting the term "posting" means transferring the debits and credits (expenses and revenue) from the journal to the general ledger.

Kim in at least Fig.3, Column 3, lines 63-67 and Column 4, lines 1-55 discloses a journalizing method for matching accounts of debit and/or credits with each of the plurality of transaction outlines to obtain account-matched transaction outlines having transaction classification codes. Kim in at least Column 5, lines 56-67 further discloses that the double-entry book-keeping principle is based on balancing the debits with the credits and the amounts of each debit and credit.

Appellant further argues ***"Berka, as discussed above with respect to claim 1, simply does not disclose anything related to storing a budget item in both a revenue database and an expenditure database."***

Examiner's Response: Respectfully, this was addressed in Claim 1 above.

**(10 B.4) Claim 14:**

Appellant argues ***"Claim 14 is allowable, at least because Berka does not disclose 'execut[ing], in response to a new transaction that includes a revenue item, a RIB rule to determine an increase to expenditure budget generated therefrom, store the budget increase in an identified node of an expenditure budget data structure, and store the budget increase in an identified node of a revenue budget data structure such that the value in the expenditure budget data structure balance with the value in the revenue budget data structure."***

Examiner's Response: Appellant's argument is the same as the argument presented for Claim 6, therefore please see the Examiner's response to Claim 6 above.

Appellant further argues ***"Berka, as discussed above with respect to claim 1, simply does not disclose anything related to storing a budget item in both a revenue database and an expenditure database."***

Examiner's Response: Respectfully, this was addressed in Claim 1 above.

**(10 B.5) Claim 17, 19, and 20:**

Appellant's arguments are the same as presented for Claims 6 and 14 above. The Examiner's Response is the same as presented in the response to Claim 6 above.

**(10 C) Rejection of Claims 2, 3, 7 to 13, 15, 16, and 18 under 35 U.S.C. § 103(a)**

Claims 2, 3, 7 to 13, 15, 16, and 18 are rejected as unpatentable over PowerPoint slide presentation regarding, Introduction to Management Accounting 12/e, Horngren/Sundem/Stratton, 2002, Prentice Hall Business Publishing hereinafter known as Prentice, in view of U.S. Patent No. 6,275,813 B1 ("Berka"), and further in view of U.S. Patent No. 7,131,579 B2 ("Kim") as applied to claims 1, 4, 6, 14 and 17 above and further in view of Peterson, US Patent No. 6,073,108.

**(10 C.1) Claims 2, 3, 7 to 13, 15, 16, and 18-20**

Appellant argues ***“Claims 2, 3, 7 to 13, 15, 16, and 18-20, all depend from one of claims 1, 4, 6, 14, and 17. Since Peterson does not cure, nor was it asserted as curing, the deficiencies discussed above with respect to Prentice, Berka, and Kim, claims 2, 3, 7 to 13, 15, 16, and 18 should be allowed for at least the same reasons as discussed above with regard to the respective independent claims.”***

Examiner's Response: The Examiner has disclosed in the responses above to the arguments presented with regards to Claim 1, 4, 6, 14, and 17 that Prentice, Berka, and Kim do not have any deficiencies.

Peterson in at least Column 2, lines 20-34 discloses a task-based classification and analysis system and analysis software with a user interface for analyzing revenues and expenditures based on predetermined relationships and a plurality of hierarchical task lists. Peterson in at least Fig.1 and Column 3, lines 21-34 further discloses the analysis system and software maintaining relationships between a plurality of databases.

Peterson in at least Column 2, lines 35-44 discloses an analysis software module for building task-based budgets and coordinating relationships between a plurality of task lists and further discloses in at least Column 4, lines 62-64 the system collecting and utilizing historical data from another software module for generating related reports.

**(11) Related Proceeding(s) Appendix**

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

/Paul Danneman/

Examiner, Art Unit 3627

20 December 2009

Conferees:

/F. Ryan Zeender/

Supervisory Patent Examiner, Art Unit 3627

Vincent Millin /vm/

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